



WFA/EACA guidelines on  
**client-agency relations**  
and best practice in the  
**pitch process**

# WFA/EACA guidelines on client-agency relations and best practice in the pitch process



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# WFA/EACA guidelines on **client-agency relations** and best practice in the **pitch process**



## ABOUT THIS DOCUMENT

This document provides guidelines for both parties, the agency and the client, on how to organize, conduct and conclude a pitch process leading to a new client-agency relationship.

These are guidelines - not rules. They will hopefully provide helpful advice, both regarding the general principles and on points of detail. Although this paper was prepared with multi-country assignments in mind, it should also be useful as a roadmap where the pitch is in just one country, especially where no existing guidelines and procedures have been developed and approved by that country's national association. In situations where national guidelines exist, these should naturally be respected and followed.

## INTRODUCTION

It is always recommended to both clients and agencies to make every possible effort to maintain excellent relationships, to evaluate them regularly, and to make efforts to repair problems before resorting to parting company (whether by termination or resignation). We also provide advice on each of these aspects of relationship management.

However sometimes client-agency relationships do come to an end. Clients may be faced with a requirement for a new agency, an additional agency, or a different type of agency, and divergences appear or rifts occur which simply cannot be healed. In those circumstances clients will call competitive pitches.

A competitive pitch can be part of the process of ensuring that marketing budgets create maximum value for the brand concerned. They can be required to provide more effective creative and/or media communications solutions, more harmonious or constructive working relationships, or to produce greater cost-effectiveness. They can also enable more successful agencies to grow and challenge for more business, so ensuring vitality of the agency sector, providing new resources and wider choice for clients.

However a huge amount of time and money is invested and often missapplied on pitching, by both client and agency. If the process is faulty, it can lead to unproductive solutions that have to be undone at further expense and disruption to the brand. The increasing involvement of procurement in the area of agency relationships, while often enriching the process with additional expertise, can sometimes add a further layer of complexity to the pitch process.

The aim of this document is to produce a win/win for all parties: to enable agencies to pitch successfully and sensibly, to enable marketers to find the agencies that best fit their needs and, where the resource exists, to help marketing procurement achieve maximum value for the company.

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## THE 20 KEY PRINCIPLES

Here are the 20 key principles which should guide the organization and execution of a competitive pitch. They will be discussed in detail in this document:

|                            |  |
|----------------------------|--|
| Before the pitch process   | <ol style="list-style-type: none"> <li>1. Always try to make the relationship work before resorting to a pitch</li> <li>2. Make a priority of dealing fairly with the incumbent agency</li> <li>3. If at all possible, avoid full creative pitch, which can be costly and time-consuming for both parties.</li> </ol>  |
| Getting started            | <ol style="list-style-type: none"> <li>4. Form a cohesive multi-discipline decision-making team</li> <li>5. Use additional consultation if there is no internal pitching experience</li> <li>6. Before calling a pitch, be very clear on your communications objectives, to enable you to specify the agency's role, scope and budget</li> <li>7. Establish a firm and realistic timetable</li> <li>8. Be clear about policy on communicating with the press and internally</li> </ol> |
| Briefing and selection     | <ol style="list-style-type: none"> <li>9. Write a clear, concise and well thought out brief</li> <li>10. Ensure that the criteria for evaluation/decision-making at each stage of the process is clear and agreed by all parties in advance, to take you from consideration list, to long list, to short list</li> <li>11. Be disciplined about RFI's (Request For Information) and RFP's, (Request For Proposal) if used</li> </ol>   |
| Managing the pitch process | <ol style="list-style-type: none"> <li>12. Be open about the issue of pitch fees and expenses; always respect national rules &amp; agreements</li> <li>13. Use "chemistry" meetings to get to know agencies</li> <li>14. Creative pitches; use "tissue meetings" – if there is time – to help the creative development process</li> </ol>  |
| Making the decision        | <ol style="list-style-type: none"> <li>15. Be formal about scoring and evaluating the pitches</li> <li>16. Conduct pro forma contract discussions to manage expectations, and avoid embarrassment after the pitches</li> <li>17. Offer the losing agencies a debrief</li> </ol>  |
| Post-pitch                 | <ol style="list-style-type: none"> <li>18. Manage the pitches sensitively, and treat documents with respect and absolute confidentiality</li> <li>19. Be scrupulous on intellectual property issue</li> <li>20. Manage the transition and hand-over process with care</li> </ol>   |

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## GUIDING PRINCIPLES FOR SUCCESSFUL PITCHING

### 1 Before the agency pitch process is started

#### 1.1 *Reasons for change*

There can be many reasons for a competitive pitch and it is important that all parties define and understand why the pitch has been decided and what the outcome should be. That aim should be kept in mind throughout to prevent the real issues being side-tracked by other considerations that will naturally arise.

Key reasons may include:

- The term of the existing contract will expire shortly and a review is mandatory
- The client creates or modifies cross-country consolidations, brands alignments, A.O.R. assignments
- Strategic disagreements or poor creative performance, either at the development or in-market stages.
- Underperforming media strategy and/or buying
- Poor sales results and/or lacklustre business performance
- Dissatisfaction with client servicing
- Agency wishes to take on a competitive account.
- The agency or the client want, or need, to end the relationship for whatever other reason.

#### 1.2 *How to change agency without changing agency*

It is recommended that both sides try to make the existing client-agency relationship work before deciding on a pitch. With an effective appraisal, more can sometimes be lost than gained by changing agencies.

Experience has proved that long-term relationships benefit the health of a brand. For advice on this please consult the EACA document “Managing Agency Relationships”, the “WFA Media Charter” and similar documents from national advertiser/ agency associations. Finding a new agency can be time-consuming, and orienting the new agency also takes time. Experience all over the world suggests that inappropriate or unnecessary transitions may happen, with potentially dangerous consequences. This is all the more reason for exercising caution before going to pitch.

Working with the existing agency to discuss problems, and addressing them together is often a wiser, less costly, and quicker solution. Indeed the best practice (even if it is not practiced enough) of asking your agency every year to revisit scope of work and how they can best contribute to its fulfilment, has much to recommend it. Appropriate modifications of working processes, with or without the change of personnel, can sometimes address the issue in a faster and much more efficient way.

Equally we recommend to both clients and agencies that mutual evaluations (scored on a quantitative basis, as well as analysed qualitatively) are conducted at least annually. This practice will serve as a valuable early warning – and solution providing – system.

#### 1.3 *How to deal with the incumbent agency in a pitch situation*

If a client has decided to call a pitch, an important early step is to discuss the situation openly with the existing agency(ies). There will be occasions where the decision to pitch will represent a vote of no confidence in the incumbent (maybe after a period of trying exceptionally hard to make it work). In that situation it is almost certainly in the interest of all parties for the client to make it clear to the incumbent that it is not worth their while to participate in the pitch. Equally there will be times when an agency will not wish to re-pitch. But in the majority

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of cases clients will wish to create a level playing field upon which the incumbent's participation in the pitch will be welcome, and will enrich the process. This is certainly true of 'statutory' re-pitches, where a client's own rules require a new tender to be issued every so often (e.g. at intervals of 3, 5 years, etc.) It is also the case with many soundly managed pitches. Folklore has it that incumbents seldom retain business, but statistics confound this theory. Reappointment happens frequently, and clients should give incumbents every encouragement to put their experience to good effect.

## 1.4 Is a full creative or media pitch always the appropriate solution?

If the challenge is a new creative and/or media approach, or simply a new assignment (e.g. a new Brand) a "full" pitch is not the only option. Even if the client decides to talk to other agencies, a fully fledged creative pitch may not be necessary. It can be more productive to limit the pitch assignment to the strategic approach.

Other process options to selecting either a creative or media agency can include:

1. Looking for agencies with particular knowledge and experience of the business sector.
2. Reviewing the reputation, creative work and case histories of candidate agencies
3. Working meetings with the proposed agency teams and management
4. Analysing which strategic and creative approaches are most likely to meet the client's business objectives.

## 2 Getting started: The steering team

The first key step of the process from the client side is the creation of a small steering team which will manage the whole process, will be accountable for its success and towards its end, will produce the recommendation to the management about which agency should be selected and why (see 'decision making' later). The team should be as compact as possible and include only members with a precise task, for whom the project has top priority in their schedule.

The team should be committed to full disclosure within and absolute external confidentiality. Typically 'core' members are the marketing (or brand) leader, the relevant 'discipline' leader (e.g. media, interactive, marketing research) marketing procurement and one or two representatives of product management. When the organization is multi-national and central support expertise is available (e.g. for creative or media), it is advisable to include the relevant expert in the team, even if the scope of the pitch is only national.

The advertiser should also consider taking advantage of outside help. Companies do not conduct agency searches on a continuous basis, but there are professional consultants and advisers who specialise in this activity. They are expert process facilitators, and have experience in the preparation of effective briefs. It is also their business to know the leading agencies in all sectors of marketing communications.

It is also good practice to involve purchasing or procurement early in the process. Most procurement professionals now working in blue-chip organisations are a dedicated added-value resource to their marketing teams. It is their responsibility to ensure that good value and effective commercial terms underpin the relationship. Very often they have formal experience in contract content and negotiation, real commercial expertise in the agreement of fees and will likely bring vital process and performance management expertise to the table. Procurement personnel often stay in the company for longer than marketing or communications people, and there is a benefit to the brand in a perspective which has five years rather than two as its horizon. The advertiser should create a partnership between marketing and procurement colleagues from the very beginning of the process.

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## **2.1 Defining the pitch objectives and the role the agency is expected to play**

The first action for the steering team is to define the scope and objectives of the pitch, and ensure that all stakeholders, especially those involved in the final decision, are in full agreement. It is essential to establish search criteria, and a set of requirements on which business can be awarded (in terms of geographies, brands and services to be provided). The pitching process is not an opportunity for clients to iron out internal disagreements, or to persuade colleagues to come in line with particular policies. The specifics of the pitch project, the briefing document and future expectations (including remuneration) should be approved by all stakeholders before being given to either a consultant or the pitching agencies.

The advertiser should analyse the role advertising and other marketing communication tools play in the marketing mix and consider what type of an agency is required in relation to budgets, location and specialisation. It may be that the whole roster should be reviewed to optimise performance.

## **2.2 Considering specialist versus full-service agencies**

The client needs to consider what mix of different agency skills should be marshalled to deliver the brand's communications objectives.

Whether the advertiser is looking for a creative, media, DM, digital or other specialist agencies, the pitch process can be influenced by the specifics of particular requirements and associated marketing considerations. It can also be influenced by the time and resources the client has to coordinate specialists, or to work with a full integrated agency.

These guidelines are designed to provide a rational business model capable of adjustment to any particular conditions.

## **2.3 Considering the budget**

Budget size (marketing and/or media investment and agency compensation) has an impact on the agency selection process and it is important that the client clarifies at the outset what a realistic level of expenditure is likely to be.

## **3 Drafting the brief**

It is often said that the best pitch will be only as good as the brief. Indeed the most important presentation in the whole process is often the client's briefing. Time spent here will always be rewarded later by a more efficient and effective process and outcome. The exact same brief should be given to all agencies in the pitch, even if one or a number are already familiar with the brand and/or project.

The steering team should be accountable for the production of the brief, and its quality and completeness, even if most of the information is provided by someone else.

### **3.1 Clarifying the requirements of the brand**

The advertiser should provide a review of the brand's positioning, product information, marketing history and current/ future needs and draw up a time schedule and decision criteria. The role of marketing communications overall for the brand – and advertising and other specific elements – should be defined.

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Is the brand or Company assignment a:

- New campaign for an existing product?
- Creation of a new campaign on existing platform?
- New product launch?
- Brand extension?
- Revitalisation of a long-term campaign?
- Creation of a new campaign to the same positioning?
- Re-positioning of the brand?

If the scope of the pitch covers all of the client's brands/products, it is obviously not necessary, nor appropriate, to invite the agencies to work on all of them. In this case, the brief should cover the overall strategy, and then focus on a reasonably limited sample of brands, products or projects.

## **3.2 Defining the selection criteria**

If the advertiser has several agencies to choose from, it will be important to determine what capabilities are needed and to prioritise areas of preference. It might be decided that experience, creativity, good planning processes, team-working or other factors are the most important. It is natural for these preferences to evolve as the process goes along, but the client should try not to use the early stages of the selection to sort out what they need, or to decide the decision making process: The selection criteria should be determined and agreed internally before the pitch process begins.

It can be normal for clients to start out with entirely rational requirements and then perhaps to make the decision on a mostly emotional basis and to some extent this cannot be avoided, but it can lead to inappropriate decisions that need to be reversed in a fairly short time.

## **3.3 Producing a written brief document**

The client must write a concise but thorough brief for the agencies, taking into consideration the decisive factors for the final selection process. Agencies should be given the key criteria they will be judged on.

It must be clear from the brief whether strategic proposals alone are required, or whether some creative concepts, or even a full creative pitch are expected. All participating agencies should clearly understand what the client is looking for – and have the opportunity to discuss it.

The client should be explicit about the nature of services expected from the winning agency. A proposed remuneration model and contract terms should also be indicated and in general, creative proposals should not be requested if cost will play a leading role in the final negotiation.

Most agencies and advertisers have developed their own briefing formats into which they will transpose the client's brief. It is not necessary to brief the agency in their desired format, nor to make assumptions on advertising content, executional guidelines or target market demographics or psychographics, except where these are well established and not open to review. If an existing briefing model is not available, some guidance can be provided by the EACA 'General Agency Briefing Format', a standard checklist for agency briefings.

In summary, independent of the format, an effective brief should provide thorough-but-concise information covering the following:

1. The client's expectations from the outcome of the pitch
2. The description of the work expected from the agency, and all (but not more than) the elements necessary to prepare it
3. Specific indications or requirements in terms of structure, organization, work processes, compensation systems and mechanisms
4. What a future relationship would look like and how it will be of mutual interest working together

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It is important to keep in mind that the brief for a pitch is very different from the brief given to an agency within an on-going relationship.

- In an on-going relationship the brief normally provides information about a specific task or initiative, which adds to what the agency knows already about the client's business
- In the case of a pitch, the only information the agency has, beside a generic knowledge of the market and the category, is what's provided by the brief. It would be unfair to expect any output for which appropriate input hasn't been given

## **4** **Selecting the pitching agencies**

The goal of the selection process is to end up with an agency which is going to add significant value to the brand, ideally over a period of several years.

The advertiser must limit the number of agencies taking part in the pitch stages beyond any legally required open tender. The choice of the number of agencies invited should be based on the size and/or complexity of the communication project to which the pitch refers.

### **4.1** **Re-pitches and statutory reviews**

The client should always let other agencies know if the incumbent agency will be re-pitching and whether the review they are conducting is due to any dissatisfaction, or due to a statutory contract renewal process. If there is no dissatisfaction with the current agency then all others must understand that before deciding to pitch, as it might affect their desire to pitch.

If there is dissatisfaction, clients should discuss their chances of success with the incumbent agency and only allow them to re-pitch if they have an equal chance of winning. The incumbent should satisfy the client that they have solved whatever problems there are before the pitch, otherwise they will be judging the pitches according to different criteria.

### **4.2** **Creating a 'pitch list'**

Having too many candidate agencies can make choosing more complex and difficult for the advertiser, increase costs for the participants and provide no substantial advantage for the advertiser. The following process is tried and tested, and works well.

#### **4.2.1** **Establishing conflict rules**

The client will not want to consider a direct competitor's agency and most with a clear conflict of interest will decline to compete for the business. However this varies according to the number of qualified and experienced agencies available in a specific sector. The client should try to define only the specific areas of conflict that really matter to them. For instance if an agency works with a competitor in another country, in a related agency within a group, or in another city, this is may be considered unlikely to present any real risk of leaking of confidential data or strategies, or conflicts for the allocation of the agency resources. If there is any potential conflict situation, the client should ask the agency concerned how they propose to ensure separation of personnel and confidentiality, and guarantee the allocation of the best available resources (and buying conditions, if the pitch is about media buying).

In many competitive sectors there are often more brands competing than there are completely separate agencies with the right capabilities. For example, at the time of writing, there are only 5-6 large global media agency groups. Some international agencies might have exclusivity agreements. Client must check before the candidate list is formalised, whether that agency will be allowed to work with them in given markets

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The agencies' position on this subject is developed in the EACA document: 'Guidelines on Account Conflicts'. Additionally the 'WFA Media Charter' discusses account conflicts, as well as other areas where conflicts of interest potentially arise.

## 4.2.2 Drawing up a consideration, long & short list

Once the selection criteria have been agreed, and conflict rules established, the client needs to look at the credentials of all agencies which meet the criteria. This is a consideration List, and if a selector consultant is used, or the advertiser has used all accessible sources of information (including several services available on the internet), no time need be taken up to this point on meetings.

The advertiser should try at that stage to decide fundamental issues like whether they want to work with a small creative 'hot shop' or a large global network. Putting a hot shop or network agency or the Number 1 agency in the market on the list, "just in case we need it" wastes everyone's time, if they don't have a real chance of winning the business.

To arrive at a long list, it is necessary to contact the most interesting agencies on the consideration list, ask if they are interested in competing for the account, and (if yes) place them under a non disclosure agreement (NDA), with specific restrictions on any unauthorised disclosures to the media. If the pitch is for a multi-country assignment, information should be obtained about the existence of conflicts (and their management if any) and the actual ability of the agency's office in each country to potentially handle the assignment, in terms of resources and expertise.

A long list will normally be around six agencies. It is normal to set the long-listed agencies some kind of elimination test: Typically an initial questionnaire or chemistry meeting – or both. There shouldn't be work requested from the long-listed agencies at this stage, except – if necessary – collecting and providing existing information.

Having met and assessed the Long List, the advertiser is now in a position to reduce to a short list of agencies to be briefed for the final stage of the process. We recommend that the short list should consist of three or four agencies, including the incumbent if relevant.

The advertiser should tell all the short-listed agencies who they are competing with, and whether the incumbent agency is included.

In pitches where the EU procurement rules require the publication of an advertisement in the OJEU (Official Journal of the European Union), specific procedural rules will apply and these may vary slightly from country to country. It is recommended that specialist legal counsel is obtained for such a pitch.

## 5 RFI's and RFP's

Another option, is to follow the American custom of issuing RFI's (Requests for Information) to the consideration List, and RFP's (Requests for Proposal) to the short list.

The practice of gaining insights by issuing an RFI to a list of possible agencies can help the advertiser get a good picture of the assistance available. The RFI should focus on satisfying the client of the potential quality of work, depth of resources, lack of conflict issues, and international reach each of the agencies under consideration can offer. RFI's however are no substitute for personal meetings and in some cases might not really save either side's time. Client should try to decide before requesting this work what they need to know and what is just nice to know.

The best RFI's allow the first meetings with long listed agencies to focus entirely on your task and on the personalities involved, rather than on agency credentials.

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Currently agencies have to spend a great deal of time completing RFI's, which are often extremely long and detailed. In some cases these are standard templates that are sent out by the consultant/auditor/agency managing the pitch, without any customisation for the client's specific requirements. The result is that the client receives very long and detailed responses from agencies, including information which may not be pertinent to their decision-making process at this stage.

Alongside the RFI questionnaire, it is important to provide a brief detailing the scope of the pitch in terms of tiered list of markets and services and other information to give the agencies fuller understanding of the client's requirements and priorities, including who the clients see as their major competitors, especially noting any unacceptable conflicts. It is vital that at least one person at the client makes themselves available to respond to questions on the RFI.

Unless there are legal constraints that require the client to accept proposals in document or tender form without holding prior one-on-one meetings with agencies (as may be the case in some OJEU processes), the practice of briefing agencies purely by RFP cannot be recommended.

Even a very detailed brief will not necessarily give the agencies a clear insight into all aspects of the task and decisions made on this basis can introduce a lottery element that cannot be good for the client's business. It is recommended to send a written brief and then organize (1-2 weeks later) a formal meeting where the client can provide additional comments and context, and answer any questions the agency may have.

## **6 Laying down a timeline**

Whatever the process (RFI-RFP or less formal) a precise and realistic timeline for the whole process should be prepared by the steering team. This should be agreed internally and communicated to the agencies. The timeline should include precise dates for the various phases, including when to make and communicate the final decision.

Sufficient time must be allowed between the briefing occasion and the presentation; a minimum of 4 weeks is considered fair for a full creative pitch.

## **7 Handling publicity**

It is advisable to prepare an external and internal communications strategy about the agency review in advance, including a press release. It is then important to agree the rules on talking to the press throughout the process. Many clients require agencies to refrain from talking to the press until the outcome is determined, not least to ensure the losing agency(s) do not read about the decision in the press. It is common, but not mandatory, to announce the short list.

## **8 Forming the decision-making team**

In most situations, even if the process is conducted by the steering team, their task is to produce a recommendation to the management: a single person or a team created for the purpose.

Depending on their own personality, or the company culture, there might be more or less people in the final decision-making team. In general it should be said that a small team is better, perhaps three people who are aware of the needs of all parts of their business. Large teams can end up with compromises and that can compromise the eventual results.

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It is important that all final-decision-makers;

- Are kept informed of the advancement of the process
- Are involved in, or at least approve, the outcome of each key phase.
- Attend all the key presentations – from all agencies.
- If possible, they should even have a brief, less formal, meeting with each of the agencies in advance of the final presentations.

## 9 The use of pitch consultants

If using outside consultants, the client should specify from the initial meeting what his expectations are of the consultant: When, how and where the consultant will be used. This will also be communicated to the agencies, who may not question the client's decision to use a consultant. It is inadvisable for the client to let the consultant prevent contact between the agency and themselves.

## 10 Meeting the agencies

### 10.1 Long-list chemistry meetings

The most preferred follow-up to an RFI, or even as a first stage when the list of possible agencies is reasonably finite, is to meet for a "chemistry meeting". This meeting should be with key management and team individuals and should discuss the task in broad terms. It might involve a brief working session around the problems and opportunities, or when the team composition and personalities are of greatest importance, might be entirely social.

The agencies might be asked to look at competitors' advertising and discuss good or bad points, or to establish where new strategic opportunities might lie. They might be asked to explain their proprietary processes and discuss how they can be applied to help solve the business problems. It is unlikely that the client will want all long-list agencies to see the full brief, but they do need to gain an impression of how well the agencies will be able to deal with it. They might therefore be asked to show how they have dealt with similar situations or to answer key questions that will establish suitability.

The key to a good chemistry meeting is to ensure that the agency keeps any credentials presentation very short and that they understand the chemistry they are being asked to match. So the client needs to tell them about themselves, the key opportunities and issues for company and the category, the personalities that are involved in the pitch and what their priorities are. This will enable the agency to choose the right people and format for the meeting. Providing these steps have been followed it is recommended that the client request to see the team that will be working on their business.

One and a half hours would be a reasonable time to spend on a chemistry meeting, but depending on circumstances a longer session might be preferred.

### 10.2 Selecting the short-list agencies

Whatever evaluation process is decided upon to draw up a long list, the client will need to be decisive about reducing to the three or four to make a full pitch. At this stage some of the agencies might decide that they do not want to be involved further, or that the task could be better handled by other of their resources than those the client met.

It is best to talk to each of the chosen shortlist agencies (to make sure they are happy to go ahead) before standing down the rest.

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Once any agencies are stood down, news of the review may be picked up by the press, so the client should have their response ready. The press will be particularly interested in how this affects the incumbent agency. This news might have an adverse effect on that agency's clients, or on any that might be considering them, so the response needs to be well considered and agreed.

## **11 The core pitch process**

### **11.1 Briefing the short-list agencies**

However well a brief is written, it should be assumed that some aspects of it will not be fully understood, so a response and questioning process should be built in.

As mentioned above, briefing and discussions should ideally be face to face, but if this is not possible, then the same conditions should apply to each agency. A client will naturally want to run a fair pitch on a "level playing field". It is good to have some rules on who agencies are allowed to have contact with and where they can go within the organisation. To ensure this, it may be advisable to share with all the agencies the answers given to all agency questions, as they may reveal weakness/insufficient clarity within the brief.

But it is inadvisable to let the rules of the process discourage the initiative and enthusiasm of the agencies. If agencies are told that answers to their questions will be sent to all agencies, there is a danger that this may stifle the flow of information, and benefit the less intelligent or active agencies. Seeing which agencies put more thought and effort into the process might well be part of the evaluation itself.

If agencies wish to meet technical or field sales people to mine more information, every effort should be made to facilitate this, as solutions can come from anywhere.

### **11.2 Deciding the number of stages required**

A long drawn-out process is generally a bad one and a maximum of two stages should be envisaged. This might be a strategic stage and a creative one, or it might be decided that creative work should not be undertaken until the agency has been appointed and executions can be developed in a more normal environment than that of a competitive process.

If one or two agencies clearly do not "get it" at the strategic stage, the client might decide to drop them then, rather than pursue matters further. There will be a temptation to want to replace these agencies in the competition, but that is likely to be unfair on all parties and should be avoided.

If research will be required before the agency appointment will be made, that should be made clear from the start and might require agreement on who pays for highly finished work or further developments for research. It will certainly have an effect on the timing of the whole process and might lead to situation where a favoured agency has taken on another client in the meantime.

### **11.3 Managing the process**

A pitch process is essentially a creative process – this even if the assignment appears more 'technical', as with media – and therefore one that is hard to foresee in every detail. Nevertheless, the client owes it to the competing agencies to maintain a fair process and to make it clear what that will be. That means that no agencies should be added to the list during the process. If no agency meets the client's needs they should tell them and start a new process.

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## 11.3.1 Intermediate (“tissue”) sessions can help

If the process includes creative development, then the chances of coming up with a usable solution and of finding a harmonious working team may be improved if the parties arrange an intermediate (a.k.a. “tissue”) session in which they discuss a range of outline or partly-developed ideas.

This can be a process that is more suitable for the more creatively experienced clients, or those that are able to visualise the final result from rough outlines. It is unlikely to be constructive for clients who can only cope with highly finished and realistic proposals.

Intermediate session may appear useful also in pitches for media assignments, especially when the plans’ structure is complex in terms of planning and/or buying, or when intellectual properties (events, programs, ...) are involved or already owned by the client.

## 11.3.2 Their place or yours?

The decision on whether to hold pitches at the client’s offices or the agency’s can be a cultural, logistical, or strategic one. Some clients rarely if ever visit their agencies, so it would be strange for them to do so during the pitch process. Logistically it is often easier and more reliable to get the client team together at their own location. Equally the ability to accommodate the numbers involved might be an issue.

There are also strategic considerations that can help to decide: the more ‘creative’ environment of agencies’ offices might help to focus minds on the communications issues and an out-of-office location might help to avoid distractions. Generally the agency will be more comfortable in their own offices and any equipment glitches will clearly be their responsibility.

If the culture of the agency is a consideration, then more will be learned at their offices than at the client’s own.

## 11.3.3 Timekeeping

The timing of the presentation should be set to allow the agency to present the requested work, and the other participants to attend, ask questions and discuss the presentations.

If the agency has been given a specific amount of time for their presentation, the client will expect them to have rehearsed appropriately, and stick to it. In cases where a member of the client team has decided to take some time with introductions or scene-setting, this should not be subtracted from the agency’s time. Equally an agency should not be penalised if there is a delay for a technical problem. It would not serve the client’s own interests to curtail the agency’s presentation.

Generally, however, an agency should not be allowed to overrun their time, unless questions or interruptions from the client side have caused it. Any extra time spent with one agency should be allowed to all in the interests of fairness.

## 11.3.4 Helping the client to remember

Remembering which agency said what and who was in their team can be far more difficult than one might assume, so it is best to have some time between meetings to set down impressions. Some clients take pictures of the agency teams and their work if these are not supplied.

Statistically, the last agency to present can have a major advantage, so the client should try to hold all meetings over as short a time-span as possible

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Late alterations to meeting times can have a dramatic effect on the agencies involved and are to be avoided if at all possible. If the client spends additional social time with an agency, say over lunch or at the end of the day, they should try to do that with all agencies.

Documents are an important element of what an agency presents. And a document will not necessarily be just the 'book of the film'. Very often the presentation itself will be a question of selecting the most important aspects of the agency's case with the remainder, background, appendices, etc. in the document. The client team should set aside sufficient time to read and analyse all the documents. Should this not be possible (say in the case of an international pitch where the client team have to fly back immediately after the presentation), it is perfectly acceptable for the client to ask the agencies to distribute documents in advance. Documents take a lot of time to produce, and deserve due consideration.

## 12 Pitch fees: optional

Unless there are local rules or customs dictating the payment of a pitch fee, it is up to the advertiser whether they offer one or not. The advertiser should be open about the financial conditions of the pitch. The same offer should apply to all agencies, including the incumbent, if included in the process. This should be made clear in the original brief and not left up for discussion during the pitch process.

The main objective is to motivate the agencies, or to compensate them for any unusual amount of effort – or for travel or research costs. Agencies will not expect to make a profit on the pitch process.

## 13 Playing by the rules

### 13.1 *Providing background market data and liaison through the process*

The advertiser must be willing, on a strictly confidential basis, to share relevant market data and other relevant research, including post-testing of existing campaigns.

The agencies should also have access to the advertiser staff with whom they would be working in the future, if appointed. This should happen exclusively through the steering team, which will facilitate such contacts. The advertiser should ensure that there is always a member of the steering team (or a designated senior staff member) on its side that the agencies can contact for enquiries and requests, in order to secure consistency of response. All the agencies involved must be allowed the same rules of access.

### 13.2 *Respect copyright principles*

The creative concepts produced under the conditions of an agency pitch remain the property of the agencies. In case ideas produced by one or several of the agencies not selected are of interest to the advertiser, the purchase of usage rights should be negotiated. The rights to the material presented by the winning agency are normally agreed when finalising the client – agency contract. There may also be local regulations referring to ownership that must be adhered to.

### 13.3 *Pitch ethics*

It is unethical under the EACA Code of Ethics for agencies to offer to work free of charge for a trial period. This might also offend competition laws in various countries and any agency making such an offer should be excluded.

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It is also unethical to hold a pitch with the main purpose of collecting market data, consumer insights, or the professional opinions and ideas that will naturally be offered by competing agencies. Any pitch must have the serious purpose of reviewing agencies with a view to concluding a contract with one or more.

## 14 Scoring and Evaluation system

The steering team from the client side should make sure that all decision-makers are fully and equally briefed and present at the final pitch presentation (see above 'decision making team').

It is one of the tasks of the steering team to establish an objective scoring and evaluation system for assessing each pitch and allow enough time for the participants to attend, ask questions and discuss the presentations.

It is easy to be impressed by great presenters, locations, or the kinds of theatre that many agencies build in to pitches. While these give an idea of the agency's keenness and motivation, the client should also try to look at their proposals objectively. A checklist with some kind of scoring system related to the priorities they determined in advance can be a useful way of keeping track of what the agencies covered and what the client thought of it. But a decision made purely by adding up numbers is unlikely to be as successful as a balance between logic (scoring) and subjective assessment (chemistry)..

Again, allocating scoring percentages to topics that have to be covered can be helpful to the agency, but the client must try to stick to it. If they said they just wanted to see evaluation and strategies then they should refuse to look at initial creative ideas.

Once the creative stage is reached, the dynamics of the meeting and of judgement criteria are radically changed and can be very unfair to agencies that have stuck to the rules, plus pre-empting the whole strategic process.

## 15 Contracts & remuneration

It is recommended that the client conduct pro forma negotiations on terms of business with each of the short-listed agencies, ideally at the same time as the agency works on the brief. This will ensure that the final pitch will be fought out on merit, with relative cost levels known about in advance. Before making the announcement of the winner, the client should firm up on the business side of the partnership, e.g. contract including remuneration format, the management of the relationship and the timetables for the next steps. (A contract model, offering a number of remuneration options, from an agency standpoint, is available from EACA, as No.3 in the Facts Library series, and from National Advertising Agency Associations. Similar agency contract models, reflecting the clients' standpoints and legal frameworks in each country, are generally available from National Advertiser Associations.

## 16 Making and communicating the decision

As soon as possible after the presentation round has ended, ideally within one or two weeks (allowing for the business discussions), the client should decide on the winning agency. In major creative pitches it has become common for the decision-making process to be extended – either by the pitch list being reduced from, say, four to two, or to allow for one or more of the agencies' ideas to be researched. It is clear that it is the advertiser's prerogative to do this. But it is recommended that, when the schedule is determined at the outset, this possibility should be allowed for, and all the agencies advised accordingly.

The client should establish a firm procedure for informing both the winning and unsuccessful agency/agencies about the decision. All pitching agencies should learn about the decision the same day and a press release should be immediately issued to the trade press.

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## 17 After the pitch

After the pitch, the client should offer the unsuccessful agency or agencies the courtesy of a de-briefing. The unsuccessful agencies must return all confidential material and information provided by the advertiser.

The advertiser must, upon request, accept to return the unsuccessful agency pitch presentation(s), and undertake not to use any of the ideas contained therein, without seeking permission and if necessary making a payment.

## 18 Managing the transition ('hand-over') process

The incumbent agency's contract should be honoured, particularly with respect to the notice period and payment of outstanding orders. The client should ensure that the incumbent agency co-operates fully in an orderly handover to the new agency

It is key for the client, in its own interest, to ensure that there is a proper hand-over process when they move their brand or corporate account from one agency to another. If this doesn't happen, the transfer of materials and information may be incomplete. This is particularly important for the transition of media planning/buying assignments, and the transfer of longer-term agreements of the client with the media companies.

It is advisable to include in the agency contract some provisions about the hand-over procedure itself, along with the other clauses, such as where copyrights and intellectual property rights reside.

The hand-over should involve all three parties: client, incumbent and new agency. Generally agencies get on well with each other (after all the roles could so easily be reversed on a future occasion) and a direct transfer usually opens up a dialogue between key executives so that knowledge as well as materials gets transferred to the benefit of the client and the brand.

### Useful URL 's:

- |                                  |  |
|----------------------------------|--|
| The WFA web site:                | <a href="http://www.wfanet.org">www.wfanet.org</a>                   |
| The EACA web site:               | <a href="http://www.eaca.eu">www.eaca.eu</a>                         |
| The WFA Media Charter microsite: | <a href="http://www.wfamediacharter.org">www.wfamediacharter.org</a> |

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F +32 2 740 07 17  
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